

RESOLUTION AUTHORIZING THE SALE, ISSUANCE AND
DELIVERY OF PRELIMINARY LOAN NOTES IN THE
AGGREGATE PRINCIPAL AMOUNT OF \$ 10,300,000 ,
THE EXECUTION OF REQUISITION AGREEMENT NO. 1 ,
AND THE EXECUTION AND DELIVERY OF PROJECT
TEMPORARY LOAN NOTE NO. 2 , IN CONNECTION WITH
PROJECT NO. Mass. R-92 .

WHEREAS, the Boston Redevelopment Authority
(herein called the "Local Public Agency") has entered into a contract dated as
of the 9th day of June , 1966 , numbered Contract No. Mass. R-92 (LG)
(which, together with any supplements thereto or amendments, modifications or
waivers of any provisions thereof, is herein called the "Loan and Grant Contract"),
with the United States of America (herein called the "Government") providing, in
part, for a Project Temporary Loan by the Government to the Local Public Agency
under Title I of the Housing Act of 1949, as amended (42 U.S.C. 1450 et seq.),
in an amount outstanding at any one time not to exceed \$ 13,359,985 to aid
the Local Public Agency in its undertaking and carrying out of a certain
urban renewal project (herein called the "Project") designated Project
No. Mass. R-92 and which is more fully identified in the Loan and
Grant Contract; and

WHEREAS, pursuant to advertisement for the receipt of proposals for the pur-
chase of Preliminary Loan Notes (First Series I), herein sometimes called
"Preliminary Loan Notes", of the Local Public Agency aggregating \$ 10,300,000 ,
which appeared in a Notice of Sale published in the

~~issue of the~~
~~in the City of~~ and in
the August 2, 1966 issue of The Daily Bond Buyer in the City of New York,
proposals for the purchase of said notes in the form approved by the Local Public
Agency were received, opened, and canvassed at the time and place provided by said
advertisement, to wit: At Room 350, 73 Tremont Street
in the City of Boston , Massachusetts , at
1:00 o'clock, P.M., E.D.S.T. , August 16 , 1966 ,
which proposals are as follows:

<u>Name of Bidder</u>	<u>Interest Rate</u>	<u>Principal Amount</u>	<u>Premium</u>
1. National Shawmut Bank	4.32 %	\$ 1,000,000	\$ 10.00
of Boston	4.35 %	2,000,000	20.00
2. Salomon Brothers and	4.33 %	5,300,000	61.00
Hutzler; and	4.34 %	5,000,000	55.00
Morgan Guaranty Trust Co.			

and

WHEREAS, the interest cost at which the Local Public Agency can sell the Preliminary Loan Notes is lower than the interest rate which the Government is required to charge the Local Public Agency under the terms of the Loan and Grant Contract, and the Government is desirous of cooperating with the Local Public Agency in its endeavor to sell said Preliminary Loan Notes in order to reduce carrying charges and other costs of the Project.

BE IT RESOLVED BY Boston Redevelopment Authority

AS FOLLOWS:

Section 1. The aforesaid publication of the Notice of Sale and the form and contents thereof as so published, are hereby, in all respects, approved, ratified and confirmed.

Section 2. In order to provide funds to defray expenses incurred or to be incurred in the Local Public Agency's undertaking and carrying out of the Project, or to retire, refund, renew or extend its outstanding notes issued in connection therewith, the Local Public Agency hereby determines to borrow the sum of

Ten Million, Three Hundred Thousand - - - - - Dollars (\$10,300,000)
and issue its negotiable Preliminary Loan Notes therefor in aggregate principal amount equal to said sum.

Section 3. The Local Public Agency hereby ratifies and approves the form of the proposal hereinafter in this Section 3 enumerated, for the purchase of the designated principal amount of the Preliminary Loan Notes, which proposal the

Local Public Agency hereby determines will provide the lowest interest cost and is therefore hereby accepted, and said Preliminary Loan Notes are hereby awarded to said purchaser, as follows:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Purchaser</u>
\$1,000,000	4.32 %	National Shawmut Bank of Boston
\$5,300,000	4.33 %	Salomon Brothers & Hutzler; and
\$4,000,000	4.34 %	Morgan Guaranty Trust Co.

Section 4. Each such note shall be dated the 7th day of September, 1966; shall be designated "Preliminary Loan Note (First Series I)"; shall be payable, as to both principal and interest, to bearer, on the 10th day of March, 1967; and, pursuant to the proposal for the purchase of said notes, hereinabove accepted, shall bear the rate of interest per annum, payable at maturity, shall bear the numbers, be in the denominations, and be payable as to both principal and interest at the bank or trust company as follows:

<u>Purchaser</u>	<u>Numbers (Inclusive)</u>	<u>Denominations</u>	<u>Interest Rate</u>	<u>Payable At</u>
National Shawmut Bank of Boston	1-5	\$ 100,000	4.32 %	National Shawmut Bank of Boston
	6-10	50,000		P. O. Box 2176
	11-20	25,000		Boston, Massachusetts
Salomon Brothers & Hutzler; and	21-48	100,000	4.33 %	Morgan Guaranty Trust
	49-68	50,000		23 Wall Street
	69-108	25,000		New York, New York 100
Morgan Guaranty Trust Co.	109-138	10,000		
	139-178	5,000		
	179-202	100,000	4.34 %	
	203-218	50,000		
	219-238	25,000		
	239-258	10,000		
	259-278	5,000		

and shall not be valid until said statement is duly executed on behalf of the Government. Said Project Temporary Loan Note shall be delivered by the Chairman of the Local Public Agency to the Government to be held and paid for by the Government in accordance with the terms and conditions contained in said Requisition Agreement.

Section 8. The proceeds derived from the sale of the Preliminary Loan Notes, together with such amount of other appropriate funds of the Local Public Agency as may be necessary, shall be applied, simultaneously with the receipt of said proceeds, as follows:

First: To the payment and discharge of the principal of and interest on the following Project Temporary Loan Notes of the Local Public Agency issued pursuant to the Loan and Grant Contract and held or to be held by the Government for its own use and benefit on the date of the Preliminary Loan Notes herein authorized:

<u>No.</u>	<u>Date</u>	<u>Principal Amount</u>
1	June 2, 1966	\$3,385,000

Second: Any balance of such proceeds shall be deposited in the appropriate account or fund established pursuant to the Loan and Grant Contract and shall be used only in accordance with the provisions of the Loan and Grant Contract.

Section 9. The Chairman is hereby authorized and directed to send immediately a letter to each paying agent for the Preliminary Loan Notes in substantially the form of the Letter of Instructions hereto attached and marked Exhibit "B" and to transmit the Preliminary Loan Notes to said paying agent for delivery and payment in accordance with the terms of said letter.

Section 10. This Resolution shall take effect immediately.

Document No. 662
Adopted at Meeting of 8/25/66